

Fauquier County **Purchase of Development Rights** Program

"A tool for preserving and enhancing the agricultural industry."



February 2013



Preserving Agriculture

Agriculture is one of the leading industries in Fauquier County. In order to sustain this industry, a critical mass of farmland is necessary for the production of crops and animals. In February of 2002, the Fauquier County Board of Supervisors formally established the Purchase of Development Rights (PDR) Program in order to protect the County's farmland and retain the agricultural industry's critical mass. The PDR Program is a voluntary program in which landowners sell the development rights of their land to the County; this protects the agricultural and natural resources of their property while allowing them to retain ownership. In some cases, funds given to landowners through the PDR program are used to defray debt and save the family farm. In other cases, the funds are used to make significant improvements or additions to the farming operation. The landowner has full control over how the PDR funds are to be utilized. In addition to the cash PDR payments, landowners may also qualify for state and/or federal land conservation tax credits and deduction programs. All applicants are encouraged to discuss these programs with their tax advisors.

While funding for the PDR Program is largely tax based, a significant percentage, roughly 32% (over \$3.9M), has been provided by non-County sources in the form of grants and other contributions.

Increasingly, Fauquier County is being used as a model by other localities when seeking guidance in

developing a PDR Program. In past years, assistance has been provided to officials in Stafford, Culpeper, Franklin, Hanover, Augusta, Spotsylvania and Rockingham Counties.

The Fauquier County Agricultural Development staff also served on the Virginia Department of Agriculture and Consumer Services (VDACS) Farmland Preservation Task Force. This Task Force has developed a model PDR Program for Virginia localities and has outlined the structure for a state-funded PDR Program.

In addition, staff has assisted the VDACS Office of Farmland Preservation in the development of operating guidelines for the allocation of state-matching funds for farmland preservation. 2007 brought the first specific allocation of matching funds through VDACS. Fauquier County's PDR Program has received approximately \$1,061,000 in VDACS matching funds, to date.



Why Apply to the PDR Program?

Everyone has their own reasons for wanting to take part in the PDR Program, but here are a few of the top reasons:

- You will ensure that your family can continue farming the same land. Productive agricultural land is a finite and irreplaceable natural resource.
- You will preserve the open space, the agriculture and the nature that exists on your land. PDR Easements are attached to the land which means it will transfer to a new owner if you ever choose to sell your property.
- You will contribute to long-range environmental benefits which include wildlife habitat, clean air and water, flood control, groundwater recharge and carbon sequestration.
- You will ensure continued goods and/or services are available to the citizens of Fauquier County and beyond. Agriculture contributes to the local economy directly through sales, job creation, supporting services and businesses, and also by supplying lucrative secondary markets such as food processing.
- You will receive a lump sum cash payment that can be used as you see fit. In some cases, funds have been used to complete estate planning, defray debt and save the farm. In other cases, the funds have been used to make significant improvements or additions to the farming operation.
- You may also be eligible to receive a number of tax credits and/or tax deductions once the PDR Easement is recorded. Please seek guidance from your tax advisor regarding these opportunities.



PDR Program Qualifications



In order to qualify for consideration under the PDR Program, the following criteria must be met:

- Land must be used for a bona fide agricultural operation;
- Land must be in excess of 50 acres (can be a combination of multiple, contiguous parcels);
- Land must currently be zoned Rural Agricultural (RA) or Rural Conservation (RC); and
- Land must not currently be under conservation easement or pending consideration for conservation easement or otherwise restricted from development.

Don't Qualify for the PDR Program?

Fauquier County landowners have an additional option for preserving their land through the donation of conservation easements. The Fauquier County Board of Supervisors will accept donated conservation easements on land consistent with the County Comprehensive Plan and where there is residential density to be relinquished. The County is a qualified conservation organization under U.S. Treasury regulations and Virginia State law and, as such, is authorized to hold conservation easements. Land owners interested in donating a conservation easement to Fauquier County may contact the County Attorney's office at (540) 422-8010.

Since 2006, Fauquier County has approved conservation easement donations totaling nearly 4,500 acres.

For more information on donating conservation easements and potential tax benefits, please contact your tax advisor, your attorney or the below organizations:

- Virginia Outdoors Foundation
<http://www.vofonline.org> (540) 347-7727
- Piedmont Environmental Council
<http://www.pecva.org> (540) 341-0175
- Virginia Department of Taxation
<http://www.tax.virginia.gov/> (804) 367-8031
- Virginia Department of Conservation & Recreation (DCR)
<http://www.dcr.virginia.gov> (804) 225-2048
- Land Trust of Virginia
<http://landtrustva.org/> (540) 687-8441





Progress

Since 2002, the Fauquier County Board of Supervisors has made the PDR Program and farmland preservation a priority. The PDR Program has also been gaining momentum through the years as farmers see their friends and neighbors benefit from the program. As of February 2013, a total of 40 farms containing 8,429 acres and 443 development rights have been permanently preserved through the PDR program. An additional 2 farms with 598 acres and 36 development rights are currently approved and pending settlement. The PDR Program continues to grow as a viable means of encouragement to continued farming and land preservation. The following landmarks point the way for future farming and continued working landscapes in Fauquier County.



2002

- The Fauquier County Board of Supervisors adopts a Resolution to create a Farmland Purchase of Development Rights Program, authorizing payment of \$20,000 per development right.
- Board of Supervisors approves land use rollback tax for the PDR Program.
- First round of PDR applications received.

2003

- Board of Supervisors approve the first five PDR applicants (1,624 acres).
- Second round of PDR applications received (ODEC area).

2004

- The Conservation Easement Service District Ordinance is adopted by the Board of Supervisors, providing the vehicle for earmarked farmland preservation funding.
- A five-member PDR Selection Review Committee is established.

2004 Continued

- PDR Program receives a donation of \$100,000 from Dominion Virginia Power.
- Board of Supervisors approve to accept emergency PDR applications (outside of regular application cycles).
- PDR Program preserved a total of 1,253 acres with 58 development rights this year.

2005

- Board of Supervisors approve changes to Eligibility and Ranking Criteria for the PDR program to encourage more applications.
- PDR Program receives the first of three \$500,000 contributions from Old Dominion Electric Cooperative.
- Board of Supervisors approve a \$10,000 increase (from \$20,000 to \$30,000) in price paid per development right in the PDR Program.
- PDR Program awarded Virginia Land Conservation Fund Grant in the amount of \$213,500.
- PDR Program receives a \$50,000 donation from Dominion Virginia Power.
- PDR Program preserved a total of 689 acres with 43 development rights this year.

2006

- Second of three \$500,000 contributions received from Old Dominion Electric Cooperative.
- Fauquier County PDR Program selected for Virginia Association of Counties (VACO) Achievement Award.
- PDR Program preserved a total of 1,303 acres with 58 development rights this year.

2007

- Staff gives a presentation on the PDR Program at the invitation of the Franklin County Board of Supervisors.
- Staff gives a presentation on the PDR Program at the landowners meeting sponsored by PEC at H. M. Pearson Elementary School.
- Third of three \$500,000 contributions received from Old Dominion Electric Cooperative.
- Staff gives a presentation on the PDR Program at a meeting sponsored by PEC.
- Staff participates in a meeting of the General

Assembly Joint Subcommittee on funding for PDR and Open Space preservation.

- PDR Program receives a \$50,000 donation from Dominion Virginia Power.
- PDR Program preserved a total of 1,038 acres with 70 development rights this year

2008

- PDR Program awarded two VDACS grants totaling \$453,120.
- PDR Program preserved a total of 1,391 acres with 77 development rights this year.

2009

- PDR Program awarded Virginia Land Conservation Foundation Grant in the amount of \$198,400.
- Board of Supervisors approve a \$5,000 decrease (from \$30,000 to \$25,000) in payment per development right in the PDR program.
- PDR Program awarded VDACS Grant in the amount of \$93,932.
- PDR Program preserved a total of 344 acres with 23 development rights this year.

2010

- Moo Thru opens in Remington, VA. This business uses milk produced on a nearby dairy farm in the PDR Program.



2010 Continued

- PDR Program awarded VDACS Grant in the amount of \$175,873.
- PDR Program awarded PEC Grant in the amount of \$65,000 to assist with PDR project in the Cedar Run Watershed.
- PDR Program awarded VDACS grant in the amount of \$12,500.
- PDR Program preserved a total of 979 acres with 47 development rights this year.



2011

- PDR Program awarded Virginia Land Conservation Foundation Grant in the amount of \$52,047.
- Staff coordinated a public meeting on Land Conservation Options with PEC.
- PDR Program awarded VDACS grant in the amount of \$110,952.
- PDR Program preserved a total of 1,082 acres with 43 development rights this year.



2012

- PDR Program awarded Virginia Land Conservation Foundation Grant in the amount of \$100,000
- PDR Program awarded VDACS grant in the amount of \$160,715
- PDR Program preserved a total of 427 acres with 22 development rights this year.





FAUQUIER COUNTY CONSERVATION EASEMENTS

- County of Fauquier
- Historic Resources
- Land Trust of VA
- Marsh Resources Inc
- Nature Conservancy
- Open Space
- PDR
- PEC
- VOF Open Space
- VOF Owned



Fauquier County Board of Supervisors

R. Holder Trumbo, Jr., Chairman (Scott District)

Chester W. Stribling, Vice Chairman (Lee District)

Christopher N. Granger (Center District)

D. Lee Sherbeyn (Cedar Run District)

Peter B. Schwartz (Marshall District)

Fauquier County PDR Committee Members

John Schied, Chairman (Cedar Run District)

Ike Broaddus, Vice Chairman (Scott District)

Howard Grove (Lee District)

Doug Larson (Center District)

Patricia Ewing (Marshall District)

For more information on the Fauquier County PDR Program, please contact the Agricultural Development Department or visit our website.

Ray Pickering, Agricultural Development Director
Ray.Pickering@fauquiercounty.gov

Judy Dodson, PDR Program Associate
Judith.Dodson@fauquiercounty.gov



Fauquier County Agricultural Development Dept.
35 Culpeper St.
Warrenton, VA 20186
(540) 422-8280
(540) 422-8277 (fax)

www.FauquierAg.com

Photo Credits

Cover Photos:

- Protected farm, Cedar Run District, Calverton (upper photo)
- Protected farm, Lee District, Remington (bottom left photo)
- Protected farm, Marshall District, Hume (bottom middle photo)
- Stock photo (bottom right photo)

Page 2 Photos:

- Protected farm, Lee District, Remington (top photo)
- Protected farm, Cedar Run District, Bealeton (bottom photo)

Page 3 Photo:

- Protected farm, Cedar Run District, Catlett

Page 4 Photos:

- Protected farm, Marshall District, Delaplane (top photo)
- Protected farm, Cedar Run District, Calverton (bottom photo)

Page 5 Photos:

- Protected farm, Cedar Run District, Midland (top photo)
- Protected farm, Cedar Run District, Catlett (bottom photo)

Page 6 Photo:

- Moo Thru, Remington

Page 7 Photos:

- Protected farm, Cedar Run District, Catlett (top photo)
- Protected farm, Lee District, Remington (middle photo)
- Protected farm, Cedar Run District, Catlett (bottom photo)

Page 9 Photo:

- Protected farm, Lee District, Remington
Photo courtesy of Quarter-Mor Farm

Page 10 Photo:

- Protected farm, Marshall District, Warrenton

